COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles
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ADOPTED
Community Development Commission

1-D OCTOBER 11, 2011

SACHI A. HAMAI
EXECUTIVE OFFICER

October 11, 2011

The Honorable Board of Commissioners
Community Development Commission of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

APPROVE A DEVELOPMENT CONSULTANT AGREEMENT WITH DREAM AMERICA FOR THE ENTITLEMENT SERVICES OF NINE SCATTERED SITES IN UNINCORPORATED ATHENS AND WILLOWBROOK
(DISTRICT 2) (3 VOTE)

SUBJECT

This letter recommends approval of a Development Consultant Agreement with the non-profit Dream America Community Development Corporation (Dream America) for entitlement services at nine Commission-owned properties, which will generate approximately 20 for-sale single-family homeownership units in unincorporated Athens and Willowbrook. This letter relates to an item on the agenda of the Board of Commissioners of the Housing Authority to approve the use of City of Industry funds for the Agreement.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Executive Director or his designee to negotiate, execute, amend, and if necessary, terminate a Development Consultant Agreement and all related documents with Dream America, a California nonprofit public benefit corporation, to provide entitlement services at nine Commission-owned properties, using a total of up to $1,226,170 in Industry funds, which includes $111,470 in set-aside funds for unforeseen project costs, following approval as to form by County Counsel and execution by all parties.

2. Find that entering into a Development Consultant Agreement with Dream America is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because it

does not have the potential for causing a significant effect on the environment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to secure entitlements at nine Commission-owned properties, located at 11137 Budlong Avenue, 1228 W. 93rd Street, 1346 W. 93rd Street, 1310 W. 94th Street, 1307 W. 109th Street, 1932 E. 119th Street, 2026 E. 119th Street, 11909 Willowbrook Avenue, and 12031 Willowbrook Avenue in the unincorporated areas of Athens and Willowbrook.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund.

The recommended allocation will provide up to $1,114,700 in Industry funds for predevelopment costs associated with securing entitlements at nine Commission-owned properties.

A 10% contingency, in the amount of $111,470, in Industry funds is also being set aside for unforeseen entitlement costs. The contingency amount is recommended to prevent any delays in obtaining entitlements.

Up to $1,226,170 in Industry funds will be incorporated into the Housing Authority's approved Fiscal Year 2011-2012 budget, in a related action on the Housing Authority agenda.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On February 11, 2008, the Commission issued a Request for Proposals to construct for-sale homeownership units at 12 non-contiguous Commission-owned parcels. Three proposals were submitted by the March 28, 2008 deadline, and, following evaluation and scoring under technical review and design categories, one developer was selected. The proposal submitted met all threshold requirements and received a score of 809 out of 1,000 possible points. The two remaining proposals scored less than the minimum 630 points required.

On October 7, 2008, your Board approved a one-year Exclusive Right to Negotiate Agreement (ERN) between the Commission and Mayans Development, Inc.; however, due to the housing crisis and prolonged unfavorable market conditions, the project did not proceed, and the ERN has since expired.

The intent of the project was to develop for-sale housing, of which 51% of the total units would be reserved for low-income qualified buyers whose incomes do not exceed 80% of the Area Median Income for the Los Angeles/Long Beach Metropolitan Statistical Area, adjusted for family size, as established by the U.S. Department of Housing and Urban Development.

Recent improvements in the housing market support proceeding with the project, so the Commission is ready to proceed with the entitlements of these properties. A recommendation is being made to allocate Industry funds to Dream America, which is the non-profit branch of the original developer Mayans Development, Inc., for the purposes of securing entitlements for the properties. During the entitlement period, the Commission will retain ownership of the land; however, execution of the Development Consultant Agreement will allow Dream America to act as an agent on behalf of the Commission for only the entitlement services for the mentioned properties.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. The activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

This Agreement does not commit the Commission to a particular course of action and is not subject to the requirement of CEQA or NEPA. All CEQA and NEPA environmental review requirements must be completed prior to the completion of the entitlement process for each project.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the Development Consultant Agreement and allocation of Industry funds will facilitate the entitlement of nine Commission-owned properties to prepare them for the development of for-sale housing to low-income homebuyers in the County of Los Angeles.

Respectfully submitted,

SEAN ROGAN
Executive Director

SR:jr

Enclosures

SOLE SOURCE CHECKLIST

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS *Identify applicable justification and provide documentation for each checked item.*
	➢ **Only one bona fide source for the service exists; performance and price competition are not available.**
	➢ **Quick action is required (emergency situation).**
	➢ **Proposals have been solicited but no satisfactory proposals were received.**
	➢ **Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.**
	➢ **Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.**
	➢ **It is more cost-effective to obtain services by exercising an option under an existing contract.**
✓	➢ **It is in the best interest of the County, e.g., administrative cost savings, excessive learning curve for a new service provider, etc.** It is in the best interest of the Commission to avoid additional costs and further delay in securing entitlements by repeating an RFP/RFQ process to select a new service provider.
✓	➢ **Other reason. Please explain:** The for-profit affiliate of the proposed non-profit awardee (previously engaged in an Exclusive Right to Negotiate with the Commission) has voluntarily completed preliminary stages of the proposed work.

Deputy Chief Executive Officer, CEO — **Date** 5/13/11

DEVELOPMENT
CONSULTANT AGREEMENT

This Development Consultant Agreement ("Agreement") is made and entered into this _____ day of _____, 2011, by and between the Community Development Commission of the County of Los Angeles, a public body corporate and politic ("Commission"), and Dream America Community Development Corporation, a California nonprofit public benefit corporation ("Developer").

RECITAL

1. PURPOSE

The Developer is in the business of providing needed entitlement services. In February 2008, the Commission released a Request for Proposals ("RFP") to develop and sell Commission-owned properties and through this process, a Developer was selected. In light of a long-standing recession that has continued to negatively affect the housing market, the Commission did not consider it prudent to proceed with a Disposition and Development Agreement with the selected qualified Developer. Dream America will instead furnish the herein after-described entitlement services to HACOLA under this Agreement and the Infill Sites Program.

TERMS AND CONDITIONS

2. TERM

This Agreement shall commence on October 12, 2011 and shall remain in full force and effect for 24 months until October 11, 2013 unless sooner terminated as provided herein. This Agreement may be extended in one-year increments, for a total of two (2) additional years at the sole discretion of HACOLA.

3. DEVELOPER'S RESPONSIBILITIES

The Developer agrees to perform in a good workmanlike manner, to the satisfaction of the Commission's Executive Director, all the work described in the attached Statement of Work, Attachment A.

4. COMPENSATION

The Developer shall submit to the Commission on the 1st day of each month an invoice on a form approved by the Commission for services rendered, as described in Attachment A, Statement of Work. Upon receipt and approval, the Commission will pay the Developer within thirty (30) days of receipt and approval of the invoice in

accordance with Attachment C, Fee Schedule. The Developer shall be paid in accordance with the Commission's standard accounts payable system.

The amount of this Agreement shall not exceed ONE MILLION TWO HUNDRED TWENTY SIX THOUSAND ONE HUNDRED SEVENTY DOLLARS ($1,226,170) [sum of $1,114,700 plus $111,470 for contingency]. The Commission's source of funding for this Agreement is City of Industry funds pursuant to Cal. Health & Safety Code §33334.2 *et seq.* and Cal. Gov. Code §65584.3 ("Industry funds"). This amount includes costs related to the entitlement of the Commission-owned properties, listed in Attachment B, Commission-owned Properties. It is the understanding of both the Commission and the Developer, that the Commission shall incur all costs associated with the entitlement application fees; however, any additional work outside the scope of work, in Attachment A, will require the Commission's prior approval in writing.

The Commission shall disburse the Developer fee, as follows:

(a) Fee of ten percent (10%), equal to TWENTY FIVE THOUSAND NINE HUNDRED FIFTY DOLLARS ($25,950), and payable within 30-days of the executed Agreement;

(b) Fee of twenty percent (20%), equal to FIFTY ONE THOUSAND NINE HUNDRED DOLLARS ($51,900), and payable within 30-days upon the completion of the one-stop meetings;

(c) Fee of forty percent (40%), equal to ONE HUNDRED THREE THOUSAND EIGHT HUNDRED DOLLARS ($103,800), and payable on a pro rata basis per map, within 30-days of submitting each entitlement application; and

(d) Fee of thirty percent (30%), equal to SEVENTY SEVEN THOUSAND EIGHT HUNDRED FIFTY DOLLARS ($77,850), and payable on a pro rata basis per map within 30-days of receiving tentative tract map approval..

The Developer shall have no claim against the Commission for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Developer after the expiration or other termination of this Agreement. Should the Developer receive any such payment, it shall immediately notify the Commission and shall immediately repay all such funds to the Commission. Payment by the Commission for services rendered after expiration or termination of this Agreement shall not constitute a waiver of the Commission's right to recover such payment from Developer. This provision shall survive the expiration or other termination of this Agreement.

In addition, the Industry funds shall be used by Developer only to provide entitlement services as it relates to the Properties. In no event shall Developer use or otherwise invest the Industry funds except as expressly provided in this Agreement.

5. SOURCE AND APPROPRIATION OF FUNDS

The Commission's obligation is payable only and solely from funds appropriated through the Industry Urban Development Agency pursuant to Cal. Health & Safety. Code §33334.2 *et seq.* and Cal. Gov. Code §65584.3 and, for the purpose of this Agreement. All funds are appropriated every fiscal year beginning July 1.

In the event this Agreement extends into succeeding fiscal years and funds have not been appropriated, this Agreement will automatically terminate as of June 30 of the current fiscal year. The Commission will endeavor to notify the Developer in writing within ten (10) days of receipt of non-appropriation notice.

6. TERMINATION FOR IMPROPER CONSIDERATION

The Commission may, by written notice to the Developer, immediately terminate the right of the Developer to proceed under this Agreement, if it is found that consideration, in any form, was offered or given by Developer, either directly or through an intermediary, to any County office, employee or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, amendment or extension of this Agreement of the making of any determinations with respect to the Developer's performance pursuant to this Agreement. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Developer as it could pursue in the event of default by the Developer.

The Developer shall immediately report any attempt by a Commission officer or employee to solicit such improper consideration. The report shall be made either to the Commission's Executive Director or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

7. ASSIGNMENT BY DEVELOPER

The Developer shall not assign its rights or delegate its duties under the Agreement, or both, whether in whole or in part, without the prior consent of the Commission, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, the Commission's consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties. Any payments by the Commission to any approved delegate or assignee on any claim under the Agreement shall be deductible, at the Commission's sole discretion, against the claims, which the Developer may have

against the Commission. However, the Commission reserves the right to assign this Agreement to another public agency without the consent of the Developer.

Shareholders, partners, members, or other equity holders of the Developer may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is affected in such a way as to give majority control of the Developer to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of the Commission in accordance with applicable provisions of this Agreement.

Any assumption, assignment, delegation, or takeover of any of the Developer's duties, responsibilities, obligations, or performance of same by any entity other than the Developer, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the Commission's express prior written approval, shall be a material breach of the Agreement which may result in the termination of the Agreement. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Developer as it could pursue in the event of default by the Developer.

8. CONFIDENTIALITY OF REPORTS

The Developer shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Commission.

9. SUBCONTRACTING

The Developer may subcontract services, only those specific portions of work allowed in the original scope of work covered by this Agreement..

The Developer shall not subcontract any part of the work not covered by this Agreement without prior written approval by the Commission.

10. INSURANCE

Without limiting Developer's duties to indemnify and defend as provided in this Agreement, Developer shall procure and maintain, at Developer's sole expense, the insurance policies described herein. Such insurance shall be secured from carriers admitted in California, or authorized to do business in California. Such carriers shall be in good standing with the California Secretary of State's Office and the California Department of Insurance. Such carriers must be admitted and approved by the California Department of Insurance or must be included on the California

Department of Insurance List of Eligible Surplus Line Insurers (hereinafter "LESLI"). Such carriers must have a minimum rating of or equivalent to A:VIII in Best's Insurance Guide. Developer shall, concurrent with the execution of this Agreement, deliver to the Commission certificates of insurance with original endorsements evidencing the insurance coverage required by this Agreement. If original endorsements are not immediately available, such endorsements may be delivered subsequent to the execution of this Agreement, but no later than thirty (30) days following execution of this Agreement. The certificates and endorsements shall be signed by a person authorized by the insurers to bind coverage on its behalf. Developer shall provide the Commission with certificates of insurance and applicable endorsements each year during the term of this Agreement to evidence its annual compliance with the insurance requirements set forth herein. The Commission reserves the right to require complete certified copies of all policies at any time. Said insurance shall be in a form acceptable to the Commission, and may provide for such deductibles as may be acceptable to the Commission. Any self-insurance program and self-insured retention must be separately approved by the Commission. In the event such insurance does provide for deductibles or self-insurance, Developer agrees that it will defend, indemnify and hold harmless the Commission, the Housing Authority of the County of Los Angeles (“HACOLA”), the County of Los Angeles ("County"), and their elected and appointed officers, officials, representatives, employees, and agents in the same manner as they would have been defended, indemnified and held harmless if full coverage under any applicable policy had been in effect. Each policy shall be endorsed to stipulate that the Commission be given at least thirty (30) days' written notice in advance of any cancellation or any reduction in limit(s) for any policy of insurance required herein. Developer shall give the Commission immediate notice of any insurance claim or loss which may be covered by insurance. Developer represents and warrants that the insurance coverage required herein will also be provided by any entities with which Developer Agreements, as detailed below. All certificates of insurance and additional insured endorsements shall carry the following identifier:

_____.
Dream America Community Development Corporation

The insurance policies set forth herein shall be primary insurance with respect to the Commission. The insurance policies shall contain a waiver of subrogation for the benefit of the Commission. Failure on the part of Developer, and/or any entities with which Developer Agreements, to procure or maintain the insurance coverage required herein may, upon the Commission's sole discretion, constitute a material breach of this Agreement pursuant to which the Commission may immediately terminate this Agreement and exercise all other rights and remedies set forth herein, at its sole and absolute discretion, and without waiving such default or limiting the rights or remedies of the Commission, procure or renew such insurance and pay any and all premiums in connection therewith and all monies so paid by the Commission shall be immediately repaid by the Developer to the Commission upon demand including interest thereon at the default rate. In the event of such a breach, the

Commission shall have the right, at its sole election, to participate in and control any insurance claim, adjustment, or dispute with the insurance carrier. Developer's failure to assert or delay in asserting any claim shall not diminish or impair the Commission's rights against the Developer or the insurance carrier.

When Developer, or any entity with which Developer Agreements, is naming the Commission as an additional insured on the general liability insurance policy set forth below, then the additional insured endorsement shall contain language similar to the language contained in ISO form CG 20 10 11 85. In the alternative and in the Commission's sole and absolute discretion, it may accept both CG 20 10 10 01 and CG 20 37 10 01 in place of CG 20 10 11 85.

The following insurance policies shall be maintained by Developer and any entity with which Developer Agreements for the duration of this Agreement, unless otherwise set forth herein:

A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or its equivalent) including coverage for personal injury, death, property damage, and Agreementual liability with limits of not less than the following:

General Aggregate	$2,000,000
Products/Completed Operations Aggregate	$2,000,000
Personal and Advertising Injury	$1,000,000
Each Occurrence	$1,000,000

The Commission, Housing Authority, County, and each of their elected and appointed officers, officials, representatives, employees, and agents (hereinafter collectively referred to as the "Public Agencies and their Agents"), shall be named as additional insureds for Developer's work on such policy.

B. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than $1 million for each incident. Such insurance shall include coverage of all “owned”, “hired” and “non-owned” vehicles, or coverage for “any auto”. The Public Agencies and their Agents shall be named as additional insureds on such policy.

C. WORKERS’ COMPENSATION and EMPLOYER’S LIABILITY insurance providing worker’s compensation benefits, as required by the Labor Code of the State of California. This must include a waiver of subrogation in favor of the Public Agencies and their Agents. In all cases, the above insurance also shall include Employer’s Liability coverage with limits of not less than the following:

Each Accident	$1,000,000
Disease-policy limit	$1,000,000
Disease-each employee	$1,000,000

D. PROFESSIONAL LIABILITY INSURANCE, including coverage for personal injury, death, property damage, and contractual liability in an amount not less than One Million Dollars ($1,000,000) for each occurrence (Two Million Dollars ($2,000,000) general aggregate). Said insurance shall be maintained for the statutory period during which the professional maybe exposed to liability. If Developer is not providing professional services, then it is the responsibility of Developer to obtain separate written approval from the Commission to eliminate this professional liability insurance requirement. Developer shall require that the aforementioned professional liability insurance coverage language be incorporated into its contracts with any other entity with which it contracts for professional services.

Developer agrees that it will require all of the above mentioned insurance requirements be incorporated in its Agreement with any entity with which it Agreements in relation to this Agreement or in relation to the property or project that is the subject of this Agreement.

11. INDEMNIFICATION

The Developer shall indemnify, defend and hold harmless the Commission, Housing Authority, County, and each of their elected and appointed officers, officials, representatives, employees, and agents from and against any and all liability, demands, damages, claims, causes of action, expenses, and fees (including reasonable attorney's fees and costs and expert witness fees), including, but not limited to, claims for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), that arise out of, pertain to, or relate to Developer's acts, errors, or omissions arising from, pertaining to, or relating to this Agreement except to the extent caused by the sole negligence or willful misconduct of Commission, Housing Authority, or County. This indemnification provision shall remain in full force and effect and survive the termination and/or expiration of this Agreement. Developer agrees to require any and all entities with which it contracts to agree to and abide by the above mentioned indemnification requirements in favor of the Commission, Housing Authority, and County, as applicable to each of them.

12. THE COMMISSION'S QUALITY ASSURANCE PLAN

The Commission will evaluate Developer's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Developer's compliance with all Agreement terms and performance standards. Developer deficiencies, which the Commission determines are severe or continuing and that may place performance of the Agreement in jeopardy, if not corrected, will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Commission and Developer. If improvement does not occur consistent with the corrective measure, the Commission may terminate this

Agreement, pursuant to Paragraph 13 or 14, or impose other remedies as specified in this Agreement.

A performance review will be conducted no later than ninety (90) days prior to the end of the first and second years of this Agreement to evaluate the performance of the Developer. Based on the assessment of the performance review, as determined by the Commission in its sole discretion, written notification will be given to the Developer whether this Agreement will be terminated at the end of the current year or will be continued into the next Agreement year.

13. TERMINATION FOR CONVENIENCE

The Commission reserves the right to cancel this Agreement for any reason at all upon thirty (30) days prior written notice to Developer. In the event of such termination, Developer shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination.

14. TERMINATION FOR CAUSE

This Agreement may be terminated by the Commission upon written notice to the Developer for just cause (failure to perform satisfactorily) with no penalties incurred by the Commission upon termination or upon the occurrence of any of the following events in A, B, C or D:

A. Should the Developer fail to perform all or any portion of the work required to be performed hereunder in a timely and good workmanlike manner or properly carry out the provisions of this Agreement in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Developer, and should the Developer neglect or refuse to provide a means for satisfactory compliance with this Agreement and with the direction of the Commission within the time specified in such notice, the Commission shall have the power to suspend or terminate the operations of the Developer in whole or in part.

B. Should the Developer fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Agreement, or if the work to be done under this Agreement is abandoned for more than three days by the Developer, then notice of deficiency thereof in writing will be served upon Developer by the Commission. Should the Developer fail to comply with the terms of this Agreement within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of the Commission shall have the power to suspend or terminate the operations of the Developer in whole or in part.

C. In the event that a petition of bankruptcy shall be filed by or against the Developer.

D. If, through any cause, the Developer shall fail to fulfill, in a timely and proper manner, the obligations under this Agreement, or if the Developer shall violate any of the covenants, Agreements, or stipulations of this Agreement, the Commission shall thereupon have the right to terminate this Agreement by giving written notice to the Developer of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Developer under this Agreement shall, at the option of the Commission become its property and the Developer shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

15. DEVELOPER'S WARRANTY OF ADHERENCE TO THE COMMISSION'S CHILD SUPPORT COMPLIANCE PROGRAM

The Developer acknowledges that the Commission has established a goal of ensuring that all individuals who benefit financially from the Commission through an Agreement, are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles.

As required by the Commission's Child Support Compliance Program and without limiting Developer's duty under this Agreement to comply with all applicable provisions of law, Developer warrants that it is now in compliance and shall, during the term of this Agreement, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or CSSD Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

16. TERMINATION FOR BREACH OF WARRANTY TO COMPLY WITH THE COMMISSION'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the Developer to maintain compliance with the requirements set forth in Paragraph 15, "*DEVELOPER'S WARRANTY OF ADHERENCE TO the Commission's CHILD SUPPORT COMPLIANCE PROGRAM*" shall constitute default under this Agreement. Without limiting the rights and remedies available to the Commission under any other provision of this Agreement, failure of Developer to cure such default within 90 calendar days of written notice shall be grounds upon which the Commission may terminate this Agreement pursuant to Paragraph 14 - "TERMINATION FOR CAUSE" and pursue debarment of Developer, pursuant to Commission Policy.

17. POST MOST WANTED DELINQUENT PARENTS LIST

The Developer acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Developer understands that it is County's and the Commission's policy to strongly encourage all Developers to voluntarily post an entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Developer's place of business. The Child Support Services Department (CSSD) will supply Developer with the poster to be used.

18. INDEPENDENT DEVELOPER

This Agreement does not, is not intended to, nor shall it be construed to create the relationship of agent, employee or joint venture between the Commission and the Developer.

19. EMPLOYEES OF DEVELOPER

Workers' Compensation: The Developer understands and agrees that all persons furnishing services to the Commission pursuant to this Agreement are, for the purposes of Workers' Compensation liability, employees solely of the Developer. Developer shall bear sole responsibility and liability for providing Workers' Compensation benefits to any person for injuries arising from an accident connected with services provided to the Commission under this Agreement.

Professional Conduct: The Commission does not and will not condone any acts, gestures, comments or conduct from the Developer's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activities or behavior that might be construed as harassment. The Commission will properly investigate all charges of harassment by residents, employees or agents of the Commission against any and all Developer's employees, agents or subcontractors providing services for the Commission. The Developer assumes all liability for the actions of the Developer's employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Developer.

20. DRUG-FREE WORKPLACE ACT OF THE STATE OF CALIFORNIA

The Developer certifies under penalty of perjury under the laws of the State of California that the Developer will comply with the requirements of the Drug-Free Workplace Act of 1990.

21. SAFETY STANDARDS AND ACCIDENT PREVENTION

The Developer shall comply with all applicable federal, state and local laws governing safety, health and sanitation. The Developer shall provide all safeguards, safety devices and protective equipment and take any other needed actions, as its own responsibility, reasonably necessary to protect the life and health of employees on the

job and the safety of the public and to protect property in connection with the performance of this Agreement.

22. COMPLIANCE WITH LAWS

The Developer agrees to be bound by all applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Agreement, including but not limited to, the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85, and the Americans with Disabilities Act of 1990. If the compensation under this Agreement is in excess of $100,000 then Developer shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579h), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Developer must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Agreement.

The Developer shall comply with the following laws in Sections 23-32, inclusive, and 41-46, inclusive.

23. CIVIL RIGHTS ACT OF 1964, TITLE VI (NON-DISCRIMINATION IN FEDERALLY-ASSISTED PROGRAMS)

The Developer shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

24. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

The Developer shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

25. AGE DISCRIMINATION ACT OF 1975 AND SECTION 504 OF THE REHABILITATION ACT OF 1973

The Developer shall comply with the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to

discrimination under this Agreement on the basis of age or with respect to an otherwise qualified disabled individual.

26. EXECUTIVE ORDER 11246 AND 11375, EQUAL OPPORTUNITY IN EMPLOYMENT (NON-DISCRIMINATION IN EMPLOYMENT BY GOVERNMENT DEVELOPERS AND SUBCONTRACTORS)

The Developer shall comply with Executive Order 11246 and 11375, Equal Opportunity in Employment, which requires that during the performance of this Agreement, the Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Developer will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.

The Developer will, in all solicitations or advertisements for employees placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Developer will send to each labor union or representative of workers with which he has a collective bargaining Agreement or other Agreement or understanding, a notice to be provided by the agency of the Developer's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Developer will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Developer will furnish all information and reports required by the Executive Order and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Commission and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of Developer's noncompliance with the non-discrimination clauses of this Agreement or with any of such rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Developer may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

The Developer will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions will be binding upon each subcontractor or vendor. The Developer will take such actions with respect to any subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Developer becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by the Commission, the Developer may request the United States to enter into such litigation to protect the interests of the United States.

27. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968, AS AMENDED

A. The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this Agreement agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

C. The Developer agrees to send to each labor organization or representative of workers with which the Developer has a collective bargaining Agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Developer's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The Developer agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Developer will not subcontract with any

subcontractor where the Developer has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

E. The Developer will certify that any vacant employment positions, including training positions, that are filled (1) after the Developer is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Developer's obligations under 24 CFR Part 135.

F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted Agreements.

G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of Agreements and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

28. FEDERAL LOBBYIST REQUIREMENTS

The Developer is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative Agreement, and any extension, continuation, renewal, amendment or modification of said documents.

The Developer must certify in writing on the Federal Lobbyist Requirements Certification form that they are familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Developer will comply with the Lobbyist Requirements.

Failure on the part of the Developer or persons/subcontractors acting on behalf of the Developer to fully comply with the Federal Lobbyist Requirements may be subject to civil penalties.

29. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The Developer shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

30. USE OF RECYCLED-CONTENT PAPER PRODUCTS

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Developer agrees to use recycled-content paper to the maximum extent possible on the Project.

31. DEVELOPER RESPONSIBILITY AND DEBARMENT

A. A responsible Developer is a Developer, consultant, vendor, or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Agreement. It is the policy of the Commission, Housing Authority, and County to conduct business only with responsible Developers.

B. The Developer is hereby notified that if the Commission acquires information concerning the performance of the Developer on this or other Agreements which indicates that the Developer is not responsible, the Commission may, in addition to other remedies provided in the Agreement, debar the Developer from bidding or proposing on, or being awarded, and/or performing work on the Commission Agreements for a specified period of time, which generally will not to exceed five years but may exceed five years or be permanent if warranted by circumstances, and terminate any or all existing Agreements the Developer may have with the Commission.

C. The Commission may debar a Developer, consultant, vendor or operating agency if the Board of Commissioners finds, in its discretion, that the Developer, consultant, vendor, or operating agency has done any of the following: (1) violated any term of a Agreement with the Commission, Housing Authority, or County, or a nonprofit corporation created by the Commission, Housing Authority, or County (2) committed any act or omission which negatively reflects on the its quality, fitness or capacity to perform a Agreement with the Commission, Housing Authority, or County or any other public entity, or a nonprofit corporation created by the Commission, Housing Authority, or County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the Commission, Housing Authority, County, or any other public entity.

D. If there is evidence that the Developer may be subject to debarment, the Commission will notify the Developer in writing of the evidence, which is the basis for the proposed debarment and will advise the Developer of the scheduled date for a debarment hearing before the Developer Hearing Board.

E. The Developer Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Developer and/or the Developer's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Developer Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Developer should be debarred, and, if so, the appropriate length of time of the debarment. The Developer and the Commission shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Commissioners.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Agreement Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

G. If a Developer has been debarred for a period longer than five years, that Developer may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The Commission may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Developer has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the Commission.

H. The Developer Hearing Board will consider a request for review of the debarment determination only where (1) the Developer has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Developer Hearing Board will provide notice of the hearing on the request. At the hearing, the Developer Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Developer Hearing Board pursuant to the same procedures as for a debarment Hearing.

The Developer Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Developer Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Developer Hearing Board.

I. These terms shall also apply to subcontractors and subconsultants of County, Commission, or Housing Authority Developers, consultants, vendors and operating agencies.

32. COMPLIANCE WITH JURY SERVICE PROGRAM

A. Unless the Developer has demonstrated to the Commission's satisfaction either that Developer is not a "Developer" as defined under the Jury Service Program or that Developer qualifies for an exception to the Jury Service Program, Developer shall have and adhere to a written policy that provides that its Employees shall receive from the Developer, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Developer or that the Developer deduct from the Employee's regular pay the fees received for jury service.

B. For purposes of this Section, "Developer" means a person, partnership, corporation or other entity which has a Agreement with the Commission, Housing Authority, or County or a subcontract with a Commission, Housing Authority, or County Developer and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more Commission, Housing Authority, or County Agreements or subcontracts. "Employee" means any California resident who is a full time employee of Developer. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Commission or County, or 2) Developer has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Developer uses any subcontractor to perform services for the Commission under the Agreement, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract Agreement and a copy of the Jury Service Program shall be attached to the Agreement.

C. If the Developer is not required to comply with the Jury Service Program when the Agreement commences, Developer shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Developer shall immediately notify the Commission if Developer at any time either comes within the Jury Service Program's definition of "Developer" or if Developer no longer qualifies for an exception to the Program. In either event,

Developer shall immediately implement a written policy consistent with the Jury Service Program. The Commission may also require, at any time during the Agreement and at its sole discretion, that Developer demonstrate to the Commission's satisfaction that Developer either continues to remain outside of the Jury Service Program's definition of "Developer" and/or that Developer continues to qualify for an exception to the Program.

D. The Developer's violation of this Section of the Agreement may constitute a material breach of the Agreement. In the event of such material breach, the Commission may, in its sole discretion, terminate the Agreement and/or bar Developer from the award of future Commission, Housing Authority, or County Agreements for a period of time consistent with the seriousness of the breach.

33. ACCESS AND RETENTION OF RECORDS

The Developer shall provide access to the Commission, the Federal Grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Developer which are directly pertinent to this Agreement for the purpose of making audits, examinations, excerpts and transcriptions.

The Developer is required to retain the aforementioned records for a period of five years after the Commission pays final payment and other pending matters are closed under this Agreement.

34. CONFLICT OF INTEREST

The Developer represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Agreement, any interest direct or indirect, by Agreement, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one (1%) percent or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any Agreement, subcontract or arrangement with the Commission. Upon execution of this Agreement and during its term, as appropriate, the Developer shall, disclose in writing to the Commission any other Agreement or employment during the term of this Agreement by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Commission's interest and the interests of the third parties.

35. SEVERABILITY

In the event that any provision herein is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due

to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

36. INTERPRETATION

No provision of this Agreement is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Agreement is to be construed as if drafted by both parties hereto.

37. WAIVER

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

38. PATENT RIGHTS

The Commission will hold all the patent rights with respect to any discovery or invention, which arises or is developed in the course of, or under this Agreement.

39. COPYRIGHT

No report, maps, or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Developer. All such documents become the property of the Commission and the Commission holds all the rights to said data.

40. NOTICES

The Commission shall provide the Developer with notice of any injury or damage arising from or connected with services rendered pursuant to this Agreement to the extent that the Commission has actual knowledge of such injury or damage. The Commission shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Agreement shall be in writing and shall be addressed to the person intended to receive the same, at the following address:

The Commission: The Community Development Commission
of the County of Los Angeles
2 Coral Circle
Monterey Park, California 91755-7425
Attn: Executive Director
Fax No. (323) 890-8576

With a copy to: The Community Development Commission

of the County of Los Angeles
2 Coral Circle
Monterey Park, California 91755-7425
Attn: Director of Housing Development and Preservation
Fax No. (323) 890-8576

The Developer: Dream American Community Development Corporation
6971 Bandini Blvd, Suite B
Commerce, CA 90040
Attn: Robert Quintero
Fax No. (714) 692-1933

Notices addressed as above provided shall be deemed delivered three (3) business days after mailed by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. The Developer and the Commission may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

41. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Developer shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in *Attachment F – Required Agreement Notices* of this Agreement and is also available on the Internet at www.babysafela.org for printing purposes.

42. DEVELOPER'S ACKNOWLEDGMENT OF THE COMMISSION'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Developer acknowledges that the Commission places a high priority on the implementation of the Safely Surrendered Baby Law. The Developer understands that it is the Commission's policy to encourage all Developers to voluntarily post the Commission's "Safely Surrendered Baby Law" poster in a prominent position at the Developer's place of business. The Developer will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The Department of Children and Family Services of the County of Los Angeles will supply the Developer with the poster to be used.

43. DEVELOPER'S CHARITABLE CONTRIBUTIONS COMPLIANCE

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Developers to complete the Charitable Contributions Certification as included in *Attachment E – Required Agreement Forms*, the Commission seeks to

ensure that all Developers that receive or raise charitable contributions comply with California law in order to protect the Commission and its taxpayers. A Developer that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either Agreement termination or debarment proceedings, or both.

44. DEVELOPER'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

The Developer acknowledges that the Commission has established a goal of ensuring that all individuals and businesses that benefit financially from the Commission through Agreement are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers. Unless the Developer qualifies for an exemption or exclusion, the Developer warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Agreement will maintain compliance, with the County's Defaulted Tax Program pursuant to Los Angeles County Code, Chapter 2.206.

45. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Failure of the Developer to maintain compliance with the requirements set forth in Paragraph "DEVELOPER'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM" shall constitute default under this Agreement. Without limiting the rights and remedies available to the Commission under any other provision of this Agreement, failure of the Developer to cure such default within 10 days of notice shall be grounds upon which the Commission may terminate this Agreement and/or pursue debarment of the Developer, pursuant to County's Defaulted Property Tax Reduction Program pursuant to Los Angeles County Code, Chapter 2.206.

46. RIGHT OF FIRST REFUSAL

In the event the Commission decides to dispose the entitled properties for development of for-sale housing to qualified low-income homebuyers, post receiving all entitlement approvals, and upon Board of Commissioners approval, the Developer shall be granted the first right to negotiate and enter into a Disposition and Development Agreement (DDA) with the Commission. The terms and conditions of the DDA shall be fully defined and negotiated at a later time.

47. ENTIRE AGREEMENT

This Agreement with Attachments A through F constitutes the entire understanding and Agreement of the parties**.** This Agreement includes the following attachments:

A. Statement of Work
B. Commission-owned Properties
C. Fee Schedule
D. Schedule of Performance
E. Required Agreement Forms
F. Required Agreement Notices

SIGNATURES

IN WITNESS WHEREOF, the Commission and the Developer, through their duly authorized officers, have executed this Agreement as of the date first above written.

HOUSING AUTHORITY
OF THE COUNTY OF LOS ANGELES

By_____
Sean Rogan
Executive Director

APPROVED AS TO FORM:
ANDREA SHERIDAN ORDIN
County Counsel

By_____
Behnaz Tashakorian
Deputy

DREAM AMERICA COMMUNITY
DEVELOPMENT CORPORATION

By_____
Robert Quintero
President

APPROVED AS TO PROGRAM:
HOUSING DEVELOPMENT AND
PRESERVATION DIVISION

By_____
Lois Starr
Director

ATTACHMENT A

STATEMENT OF WORK

STATEMENT OF WORK

Developer shall provide development consulting services to prepare and submit entitlement applications to the applicable Los Angeles County Departments (i.e., Regional Planning, Public Works, Fire, etc.) for nine (9) Commission-owned properties, under the Infill Sites Program. Sites shall be designed to accommodate two to three single family detached homes.

Services include, but are not limited to the following:

1. Attend one-stop meetings, and any and all other meetings requested by the Commission or the Department of Regional Planning.

2. Prepare and submit complete entitlement applications for nine (9) sites, which may include:
   - Zone Change Application
   - Density Bonus Application
   - Conditional Use Permit Application
   - Subdivision application

3. Plans for approval may include site, elevations, tentative subdivision maps and required engineering plans. Reports and studies shall be updated or provided as required (i.e. Infrastructure Survey, Geotechnical, Phase I). Issues to be addressed include but are not limited to: Land use, design, engineering, title, etc.

4. Plan processing will include preparation of conceptual/working drawings. These may include:
   - Architectural
   - Structural
   - Landscape Plans
   - Civil Engineer
   - Title 24/Energy Plans

5. Prepare Tentative Tract Maps. Identify and address conditions of zoning in order to receive tentative map approval

6. Review and address title issues.
   - Review Plotted Easements
   - Title Policy
   - Subdivision Guarantee

7. Legal
   - Contract Preparation and Review
   - Title Review
   - Preparation of Management Agreement

ATTACHMENT B

COMMISSION-OWNED PROPERTIES

COMMISSION-owned Properties

Address	APN	W	D	Sq. Ft.	Zoning	Estimated Units
11137 Budlong Avenue	6076-020-901	62	144	8,928	R-2	2
11909 Willowbrook Avenue	6150-007-911	50	135	6,750	R-3	2
12031 Willowbrook Avenue	6150-006-902	50	220	11,000	R-3	3
1228 W. 93rd Street	6056-005-900	50	184	9,200	R-2	2
1346 W. 93rd Street	6056-006-901	50	184	9,200	C-2	2
1310 W. 94th Street	6056-007-900	50	184	9,200	R-2	2
1307 W. 109th Street	6076-001-902	60	305	18,300	R-2	3
1932 E. 119th Street	6150-007-902	50	210	10,500	R-1	2
2026 E.119th Street	6150-007-905	50	210	10,500	R-1	2
Total						20

vATTACHMENT C

FEE SCHEDULE

FEE SCHEDULE

9 Maps / Estimated 20 units	Per Unit	Total
Architect, Working Drawings, Presentation, Design	$ 4,250	$ 85,000
Landscape, Sites Planning	$ 3,635	$ 72,700
Civil Engineer, Subdivision Maps, Grading	$15,000	$ 300,000
Infrastructure Survey, Utilities Consultant	$ 2,475	$ 49,500
Geotechnical Engineering	$ 2,250	$ 45,000
Environmental Consultant (CEQA)	$ 3,000	$ 60,000
Environmental Engineer (Phase 1)	$ 1,250	$ 25,000
Title, Subdivision Insurance	$ 1,000	$ 20,000
Legal	$ 1,750	$ 35,000
Insurance	$ 900	$ 18,000
Overhead (Processing)	$ 5,250	$ 105,000
Overhead (Blue prints, etc.)	$ 2,000	$ 40,000
Developer Fee	$12,975	$ 259,500
SUBTOTAL	$55,735	$1,114,700
Contingency (10%)		$ 111,470
TOTAL	**$55,735**	**$1,226,170**

Planning Fees and Phase II Environmental are not included in the above budget. The Commission shall pay any planning fees directly to the Department of Regional Planning.

ATTACHMENT D

SCHEDULE OF PERFORMANCE

SCHEDULE OF PERFORMANCE

ACTION	DATE
1. Execution and Delivery of Agreement by Developer. The Developer shall execute and deliver this Agreement to the Commission.	Not later than 3 days after receipt of this Agreement.
2. Execution of Agreement by the Commission. The Commission shall execute and provide a copy of this Agreement to the Developer.	Not later than 3 days after receipt of this Agreement by Developer for execution
3. Certificate of Insurance. The Developer shall furnish to the Commission appropriate certificates of insurance policies as specified in this Agreement.	Within 15 days of executing the Agreement.
4. One-Stop. The Developer shall schedule one-stop meetings, for all nine (9) properties, with the Department of Regional Planning (DRP).	Within 60 days of executing the Agreement.
5. Entitlement Applications. The Developer shall submit entitlement applications and applicable plans to the DRP).	Within 60 days of the one-stop meetings.
6. Governmental Approval. The Developer shall obtain any and all entitlement approvals required by DRP or the Commission.	Within 24 months of submitting the entitlement applications.

ATTACHMENT E

REQUIRED AGREEMENT FORMS

(Insert all applicable required forms)

ATTACHMENT F

REQUIRED AGREEMENT NOTICES

BACKGROUND AND RESOURCES:
CALIFORNIA CHARITIES REGULATION

There is a keen public interest in preventing misuse of charitable contributions. California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates those raising and receiving charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) tightened Charitable Purposes Act requirements for charitable organization administration and fundraising.

The Charitable Purposes Act rules cover California public benefit corporations, unincorporated associations, and trustee entities. They may include similar foreign corporations doing business or holding property in California. Generally, an organization is subject to the registration and reporting requirements of the Charitable Purposes Act if it is a California nonprofit public benefit corporation or is tax exempt under Internal Revenue Code § 501(c)(3), and not exempt from reporting under Government Code § 12583. Most educational institutions, hospitals, cemeteries, and religious organizations are exempt from Supervision of Trustees Act requirements.

Key new Charitable Purposes Act requirements affect executive compensation, fundraising practices and documentation. Charities with over $2 million of revenues (excluding grants and service-contract funds a governmental entity requires to be accounted for) have new audit requirements. Charities required to have audits must also establish an audit committee whose members have no material financial interest in any entity doing business with the charity.

Organizations or persons that receive or raise charitable contributions are likely to be subject to the Charitable Purposes Act. A bidder/proposer on Commission and/or Housing Authority contracts must determine if it is subject to the Charitable Purposes Act and certify either that:

- It is not presently subject to the Act, but will comply if later activities make it subject, or,
- If subject, it is currently in compliance.

RESOURCES

The following resource references are offered to assist bidders/proposers who engage in charitable contributions activities, however, each bidder/proposer is responsible to research and determine its own legal obligations and properly complete the Charitable Contributions Certification form.

In California, supervision of charities is the responsibility of the Attorney General, whose website, **http://caag.state.ca.us/**, contains much information helpful to regulated charitable organizations.

1. LAWS AFFECTING NONPROFITS

The "Supervision of Trustees and Fundraisers for Charitable Purposes Act" is found at California Government Code §§ 12580 through 12599.7. Implementing regulations are found at Title 11, California Code of Regulations, §§ 300 through 312. In California, charitable solicitations ("advertising") are governed by Business & Professions Code §§ 17510 through 17510.95. Regulation of nonprofit corporations is found at Title 11, California Code of Regulations, §§ 999.1 through 999.5. (Amended regulations are pending.) Links to all of these rules are at: **http://caag.state.ca.us/charities/statutes.htm**.

2. SUPPORT FOR NONPROFIT ORGANIZATIONS

Several organizations offer both complimentary and fee-based assistance to nonprofits, including in Los Angeles, the *Center for Nonprofit Management,* 606 S. Olive St #2450, Los Angeles, CA 90014 (213) 623-7080 **http://www.cnmsocal.org/**, and statewide, the *California Association of Nonprofits,* **http://www.canonprofits.org/**. Both organizations' websites offer information about how to establish and manage a charitable organization.

The above information, including the organizations listed, is for informational purposes only. Nothing contained in this sub-section shall be construed as an endorsement by the Commission of such organizations.

Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2009)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note. You are encouraged to notify each employee whose wages for 2009 are less than $48,279 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 8, 2010.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice from the IRS website at *www.irs.gov* or by calling 1-800-829-3676.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see Pub. 596, Earned Income Credit (EIC), or the instructions for Form 1040, 1040A, or 1040EZ.

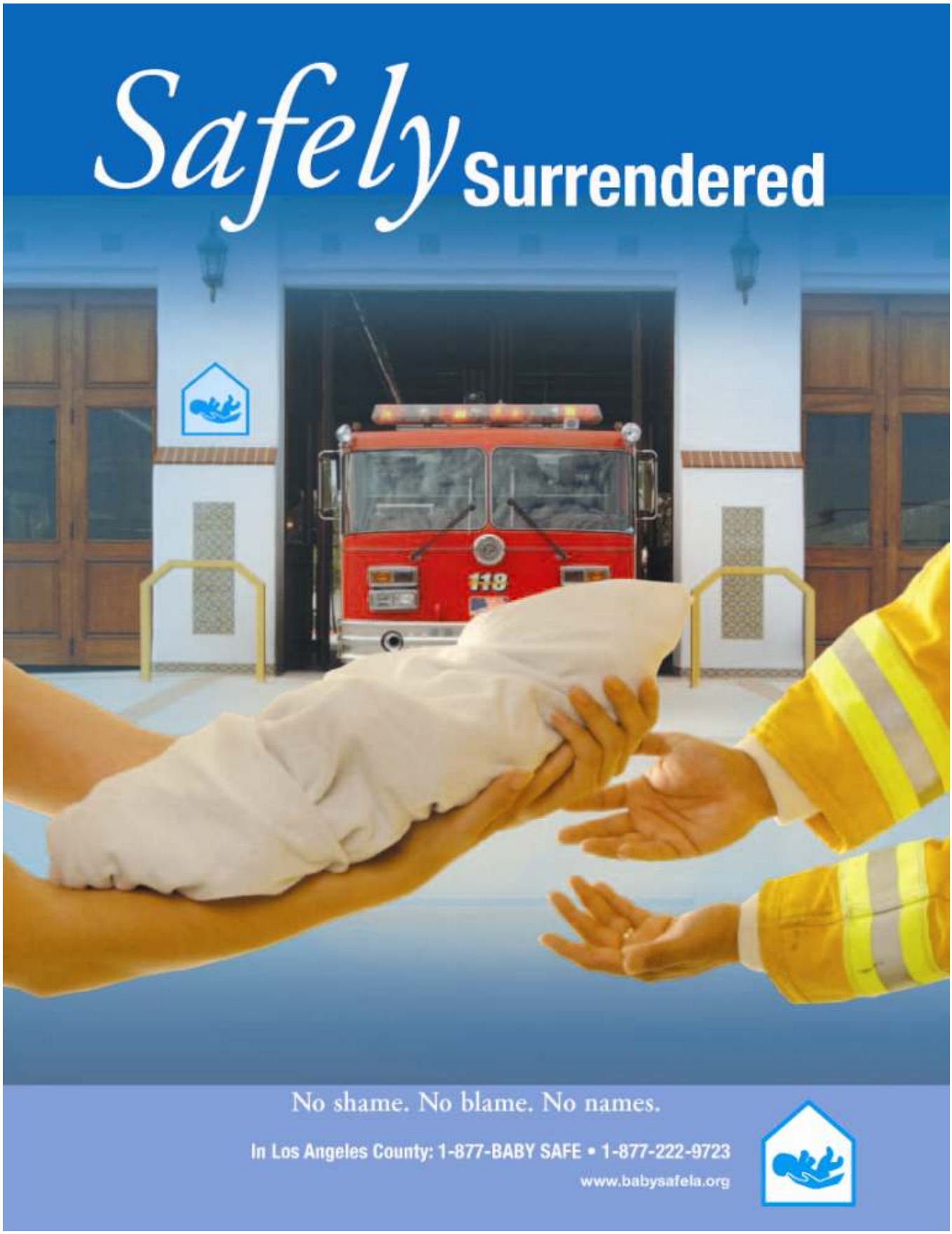
How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2009 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2009 and owes no tax but is eligible for a credit of $829, he or she must file a 2009 tax return to get the $829 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2010 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

Notice **1015** (Rev. 12-2009)
Cat. No. 20599I


Safely Surrendered
118
No shame. No blame. No names.
In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723
www.babysafela.org

Safely Surrendered Baby Law

In Los Angeles County: 1 877 BABY SAFE 1 877 222 9723
www.babysafela.org

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at **1-800-540-4000.**

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

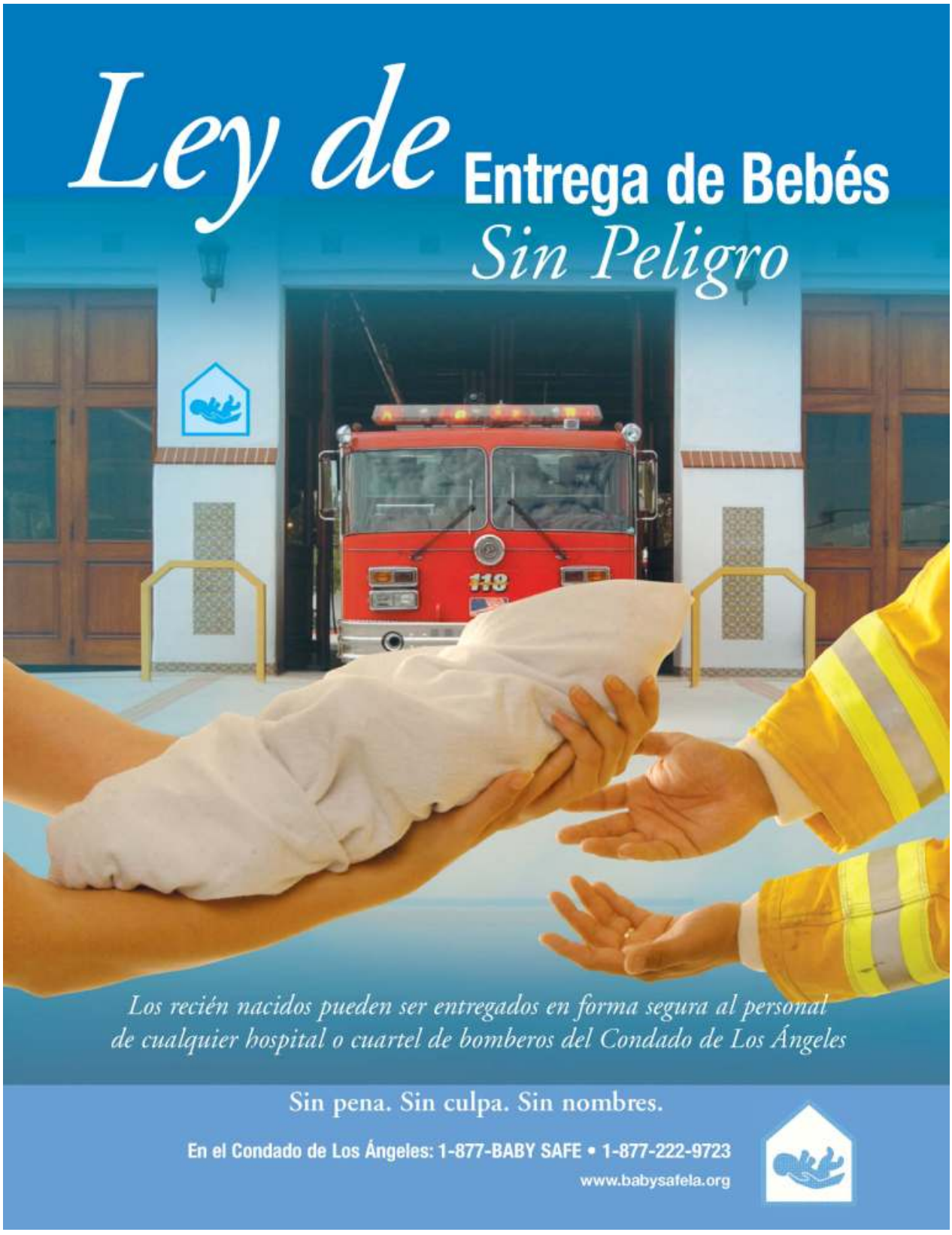
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the **Safely Surrendered Baby Law** is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The **Safely Surrendered Baby Law** prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.


Ley de Entrega de Bebés Sin Peligro
118
Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles
Sin pena. Sin culpa. Sin nombres.
En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723
www.babysafela.org

HOA.800518.1

Ley de Entrega de Bebés *Sin Peligro*

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723
www.babysafela.org

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre o el adulto que lo entregue recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al **1-800-540-4000**.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan *si tienen custodia legal.*

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la **Ley de Entrega de Bebés sin Peligro** es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La **Ley de Entrega de Bebés sin Peligro** impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazalete con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.